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April 27, 2012

Ms. Cynthia T. Brown  
Chief of the Section of Administration, Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W.  
Washington, D. C. 20423

RE: Finance Docket No. 35619, *Tennessee Southern Railroad Company,  
Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail Corp.  
Continuance-in-Control Exemption-Kingman Terminal Railroad, LLC*

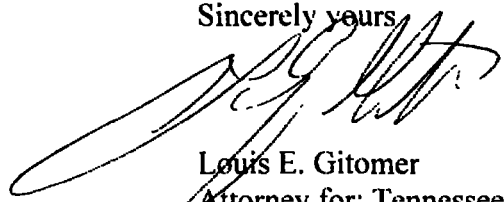
Dear Ms. Brown:

Enclosed for filing are the original and 10 copies of a Verified Notice of Exemption under 49 C.F.R. 1180.2(d)(2), a check covering the \$1,300.00 filing fee, and a CD with the notice in WORD and pdf format.

Please time and date stamp the extra copy of this letter and the Verified Notice of Exemption and return them with our messenger. Thank you for your assistance.

If you have any questions, please call or email me.

Sincerely yours



Louis E. Gitomer  
Attorney for: Tennessee Southern Railroad  
Company, Patriot Rail, LLC, Patriot Rail  
Holdings LLC, and Patriot Rail Corp.

**FILED**

APR 27 2012

**SURFACE  
TRANSPORTATION BOARD**

Enclosures

**FEE RECEIVED**

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10:00 AM

232250

BEFORE THE  
SURFACE TRANSPORTATION BOARD

Finance Docket No. 35619

TENNESSEE SOUTHERN RAILROAD COMPANY, PATRIOT RAIL, LLC,  
PATRIOT RAIL HOLDINGS LLC, AND PATRIOT RAIL CORP.  
-CONTINUANCE-IN-CONTROL EXEMPTION-  
KINGMAN TERMINAL RAILROAD, LLC

VERIFIED NOTICE OF EXEMPTION

**FEE RECEIVED**  
APR 27 2012  
SURFACE  
TRANSPORTATION BOARD

**FILED**  
APR 27 2012  
SURFACE  
TRANSPORTATION BOARD

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Attorney for TENNESSEE SOUTHERN  
RAILROAD COMPANY,  
PATRIOT RAIL, LLC,  
PATRIOT RAIL HOLDINGS LLC,  
and PATRIOT RAIL CORP.

Dated: April 27, 2012

BEFORE THE  
SURFACE TRANSPORTATION BOARD

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Finance Docket No. 35619

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TENNESSEE SOUTHERN RAILROAD COMPANY, PATRIOT RAIL, LLC,  
PATRIOT RAIL HOLDINGS LLC, AND PATRIOT RAIL CORP.  
—CONTINUANCE-IN-CONTROL EXEMPTION—  
KINGMAN TERMINAL RAILROAD, LLC

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VERIFIED NOTICE OF EXEMPTION

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Tennessee Southern Railroad Company (“TSRR”), Patriot Rail, LLC (“PRL”) and its subsidiaries Patriot Rail Holdings LLC (“PRH”) and Patriot Rail Corp. (“Patriot”), pursuant to 49 C.F.R. §§1180.2(d)(2) and 1180.4(g), file this Verified Notice of Exemption with the Surface Transportation Board (the “Board”) from the prior approval requirements of 49 U.S.C. §§11323-11325. This Verified Notice of Exemption is being filed to permit TSRR, PRL, PRH, and Patriot to continue-in-control of the Kingman Terminal Railroad, LLC (“KTRR”) once KTRR becomes a rail carrier upon authorization to operate certain rail lines.

a. **1180.6(a)(1)(i).** A brief summary of the proposed transaction, the name of applicants, their business address, telephone number, and the name of the counsel to whom questions regarding the transaction can be addressed.

Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail Corp. through Tennessee Southern Railroad Company, all located at One Boca Place, 2255 Glades Road, Suite 342W, Boca Raton, FL 33431. (561) 443-5300, control the non-carrier KTRR.

KTRR, One Boca Place, 2255 Glades Road, Suite 342W, Boca Raton, FL 33431, (561) 443-5300, is a non-carrier that has filed a concurrent notice of exemption under 49 C.F.R. §1150.31, *et seq.*, to operate over about 3 miles of track within the Kingman Airport & Industrial

Park in Mohave County, AZ (the “Line”), owned by the Kingman Airport Authority, Inc.

Finance Docket No. 35618, *Kingman Terminal Railroad, LLC —Operation Exemption— Kingman Airport & Industrial Park*.

Upon acquiring the right to operate over the Line, KTRR will become a rail carrier. Therefore, TSRR, PRL, PRH, and Patriot have filed this notice of exemption to continue-in-control of KTRR once it becomes a rail carrier.

This is a transaction where KTRR will not connect with any of subsidiary railroads of TSRR, PRL, PRH, and Patriot, where the acquisition of KTRR is not intended to connect with any railroads in the corporate family of TSRR, PRL, PRH, and Patriot, and where a Class I carrier is not involved. The proposed transaction meets the requirements of 49 C.F.R. §1180.2(d)(2). KTRR is located in Arizona. None of the railroad subsidiaries of TSRR, PRL, PRH, and Patriot are located in Arizona. See the response to section 1180.6(a)(5) below.

TSRR is a rail carrier and PRL, PRH, and Patriot are non-rail carriers that control the following 13 class III railroads: (1) the TSRR, which was acquired in November 2006; (2) Rarus Railway Company (“Rarus”), which was acquired in April 2007;<sup>1</sup> (3) Utah Central Railway Company (“Utah”), which was acquired in January 3, 2008<sup>2</sup>; (4) Sacramento Valley Railroad, Inc. (“SAVR”), which was acquired in March 2008<sup>3</sup>; (5) The Louisiana and North West Railroad Company LLC (“L&NW”), which was acquired in June 2008<sup>4</sup>; (6) the Temple & Central Texas

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<sup>1</sup> *Patriot Rail, LLC and Patriot Rail Corp.—Control Exemption—Rarus Railway Company*, STB Finance Docket No. 35013 (STB served April 11, 2007).

<sup>2</sup> *Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail Corp.—Control Exemption—Utah Central Railway Company*, STB Finance Docket No. 35102 (STB served November 15, 2007).

<sup>3</sup> *Sacramento Valley Railroad, Inc.—Operation Exemption—McClellan Business Park*, STB Finance Docket No. 35117 (STB served February 14, 2008); *Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail Corp.—Continuance in Control Exemption—Sacramento Valley Railroad, Inc.*, STB Finance Docket No. 35118 (STB served February 14, 2008).

<sup>4</sup> *Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail Corp.—Control Exemption—The Louisiana and North West Railroad Company LLC*, STB Finance Docket No. 35138 (STB served May 16, 2008).

Railway, Inc. (“TC”), which was acquired in August 2009<sup>5</sup>; (7) the Piedmont & Northern Railway, Inc. (“P&N”), which was acquired in September 2010<sup>6</sup>; (8) the Columbia & Cowlitz Railway, LLC (“CLC”), which was acquired on December 30, 2010<sup>7</sup>; (9) the DeQueen and Eastern Railroad, LLC (“DQE”), which was acquired on December 30, 2010<sup>8</sup>; (10) the Golden Triangle Railroad, LLC (“GTRA”), which was acquired on December 30, 2010<sup>9</sup>; (11) the Patriot Woods Railroad, LLC (“PAW”), which was acquired on December 30, 2010<sup>10</sup>; (12) the Texas, Oklahoma & Eastern Railroad, LLC (“TOE”), which was acquired on December 30, 2010<sup>11</sup>; and the Mississippi & Skuna Valley Railroad, LLC (“MSV”)<sup>12</sup> (collectively referred to as the “Subsidiary Railroads”).

Counsel to whom questions concerning the transaction can be addressed is: Louis E. Gitomer, Esq., Law Offices of Louis E. Gitomer LLC, 600 Baltimore Avenue, Suite 301, Towson, MD 21204, (410) 296-2250, Lou@lgrailaw.com.

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<sup>5</sup> *Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail Corp.—Control Exemption—Temple & Central Texas Railway, Inc.*, STB Finance Docket No. 35256 (STB served July 15, 2009).

<sup>6</sup> *Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail Corp.—Continuance in Control Exemption—Piedmont & Northern Railway, Inc.*, Docket No. FD 35403 (STB served August 27, 2010). *Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail Corp.—Continuance in Control Exemption—Piedmont & Northern Railway, Inc.*, Docket No. FD 35403 (STB served August 27, 2010).

<sup>7</sup> *Tennessee Southern Railroad Company, Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail Corp.—Continuance in Control Exemption—Columbia & Cowlitz Railway, LLC, DeQueen and Eastern Railroad, LLC, Golden Triangle Railroad, LLC, Mississippi & Skuna Valley Railroad, LLC, Patriot Woods Railroad, LLC, and Texas, Oklahoma & Eastern Railroad, LLC*, STB Docket No. FD 35425 (STB served November 12, 2010).

<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

<sup>10</sup> *Id.*

<sup>11</sup> *Id.*

<sup>12</sup> *Id.* MSV was authorized to abandon its entire 21-mile rail line extending between milepost 21.0 at Bruce Junction, and milepost 0.0 at Bruce, in Yalobusha and Calhoun Counties, Miss. (the “Line”). *Mississippi & Skuna Valley Railroad, LLC—Abandonment Exemption—in Yalobusha and Calhoun Counties, Miss.*, STB Docket No. AB 1089X (STB served January 20, 2012). Instead of consummating the abandonment, MSV entered a trail use agreement with Mississippi & Skuna Valley Rails-to-Trails (“MSV Trail”) and donated the real estate of the Line to MSV Trail. MSV salvaged the track and material from the Line. PURCHASER believes that MSV retains a residual common carrier obligation over the Line and therefore is a rail carrier subject to the Board’s jurisdiction, even though it does not perform railroad operations. See *National Trails System Act and Railroad Rights-of-Way*, STB Docket No. EP 702 slip op. at 5 (STB served February 16, 2011). Therefore, PURCHASER is also seeking authority to control MSV.

b. **1180.6(a)(1)(ii).** The proposed time schedule for consummation of the proposed transaction.

KTRR intend to commence operations over the Line on or after May 27, 2012. PRL, PRH, Patriot, and TSRR own the stock of KTRR and will continue-in-control of KTRR upon KTRR commencing operations over the Line.

c. **1180.6(a)(1)(iii).** The purpose sought to be accomplished by the proposed transaction, e.g., operating economies, eliminating excess facilities, improving service, or improving the financial viability of the applicants.

The management of PRL, PRH, and Patriot has successfully managed short line railroads for more than a decade. TSRR is a successful short line. PRL, PRH, and Patriot intend to use their management's experience and expertise in operating short line railroads and their financial resources to provide efficient and effective rail freight service to Kingman Airport & Industrial Park in Mohave County, AZ, and to create a financially viable railroad in KTRR.

d. **1180.6(a)(5).** A list of the State(s) in which any part of the property of each applicant carrier is situated.

TSRR operates in the States of Tennessee and Alabama. Rarus operates in the State of Montana. Utah operates in the State of Utah. SAVR operates in the State of California. L&NW operates in the States of Arkansas and Louisiana. TC operates in the State of Texas. P&N operates in the State of North Carolina. CLC will operate in southwestern Washington State. DQE will operate in southwestern Arkansas. GTRA will operate in northeastern Mississippi. MSV will operate in north central Mississippi. PAW will operate in southwestern Washington. TOW will operate in eastern Oklahoma. KTRR will operate in Arizona.

e. **1180.6(a)(6). Map (Exhibit B).** Submit a general or key map indicating clearly, in separate colors or otherwise, the line(s) of applicant carriers in their true relations to each other, short line connections, other rail lines in the territory, and the principal geographic points in the region traversed. If a geographically limited transaction is proposed, a map detailing the transaction should also be included. In addition to the map accompanying each application, 20 unbound copies of the map shall be filed with the Board.

*See Exhibit B at the end of the pleading with colored maps.*

**f. 1180.6(a)(7)(ii). Agreement (Exhibit A).** Submit a copy of any contract or other written instrument entered into, or proposed to be entered into, pertaining to the proposed transaction.

KTRR, as a non-carrier, is controlled by TSRR, PRL, PRH, and Patriot. There is no agreement between KTRR and TSRR, PRL, PRH, and Patriot.

**g. Labor Protection.**

TSRR, Rarus, Utah, SAVR, L&NW, TC, P&N, CLC, DQE, GTRA, MSV, PAW, and TOE are all class III railroads. KTRR will become a class III railroad. As such, under 49 U.S.C. §11326(c), labor protection does not apply to this transaction.

**h. Environmental and Historical documentation.**

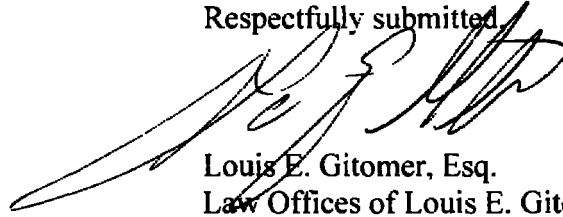
This transaction qualifies for classification under 49 C.F.R. §1105.6(c)(2) and thus neither an Environmental Report nor a Historic Report is required to be filed.

**i. Interchange Commitments.**

There are no interchange commitments or paper barriers resulting from the continuance-in-control of KTRR by TSRR, PRL, PRH, and Patriot.

This action will not significantly affect either the quality of the human environment or energy conservation.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'L. Gitomer', is written over the typed name and address.

Louis E. Gitomer, Esq.  
Law Offices of Louis E. Gitomer LLC  
600 Baltimore Avenue, Suite 301  
Towson, MD 21204  
(410) 296-2250  
Lou@lgrailaw.com

Attorney for TENNESSEE SOUTHERN  
RAILROAD COMPANY,  
PATRIOT RAIL, LLC,  
PATRIOT RAIL HOLDINGS LLC,  
and PATRIOT RAIL CORP.

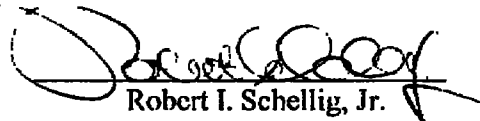
Dated: April 27, 2012




**VERIFICATION**

State of Florida                    )  
  ) ss  
County of Palm Beach            )

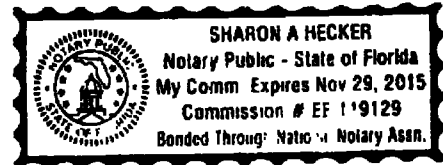
Robert I. Schellig, Jr., being duly sworn, deposes and says that I am Vice President of Law of Patriot Rail Corp., a Delaware corporation, and that he has read the foregoing, knows the contents thereof, and that the same are true as stated to the best of his knowledge, information and belief.

  
Robert I. Schellig, Jr.

Subscribed and sworn to before me this 23<sup>rd</sup> day of April \_\_ 2012.

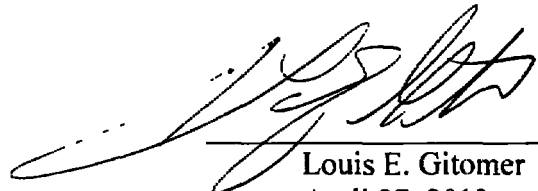
  
Notary Public

My Commission expires: Nov. 29, 2015



## **CERTIFICATE OF SERVICE**

I hereby certify that I have caused the Verified Notice of Exemption in Finance Docket 35619, *Tennessee Southern Railroad Company, Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail Corp.-Continuance-in-Control Exemption-Kingman Terminal Railroad, LLC* to be served by first class mail, postage pre-paid on the Secretary of the United States Department of Transportation, the Attorney General of the United States, the Federal Trade Commission and on the Governor, Public Service Commission, and Department of Transportation of the State of Arizona.



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Louis E. Gitomer  
April 27, 2012

**EXHIBIT A-AGREEMENT  
NONE**

## **EXHIBIT B—MAPS**



# KINGMAN AIRPORT & INDUSTRIAL PARK

ELEVATION: 3,446' ABOVE SEA LEVEL

5,024' X 1,524' GRAVEL AIRWAYS

RUNWAY 21 5,031' X 1,500'

KAA-Rail

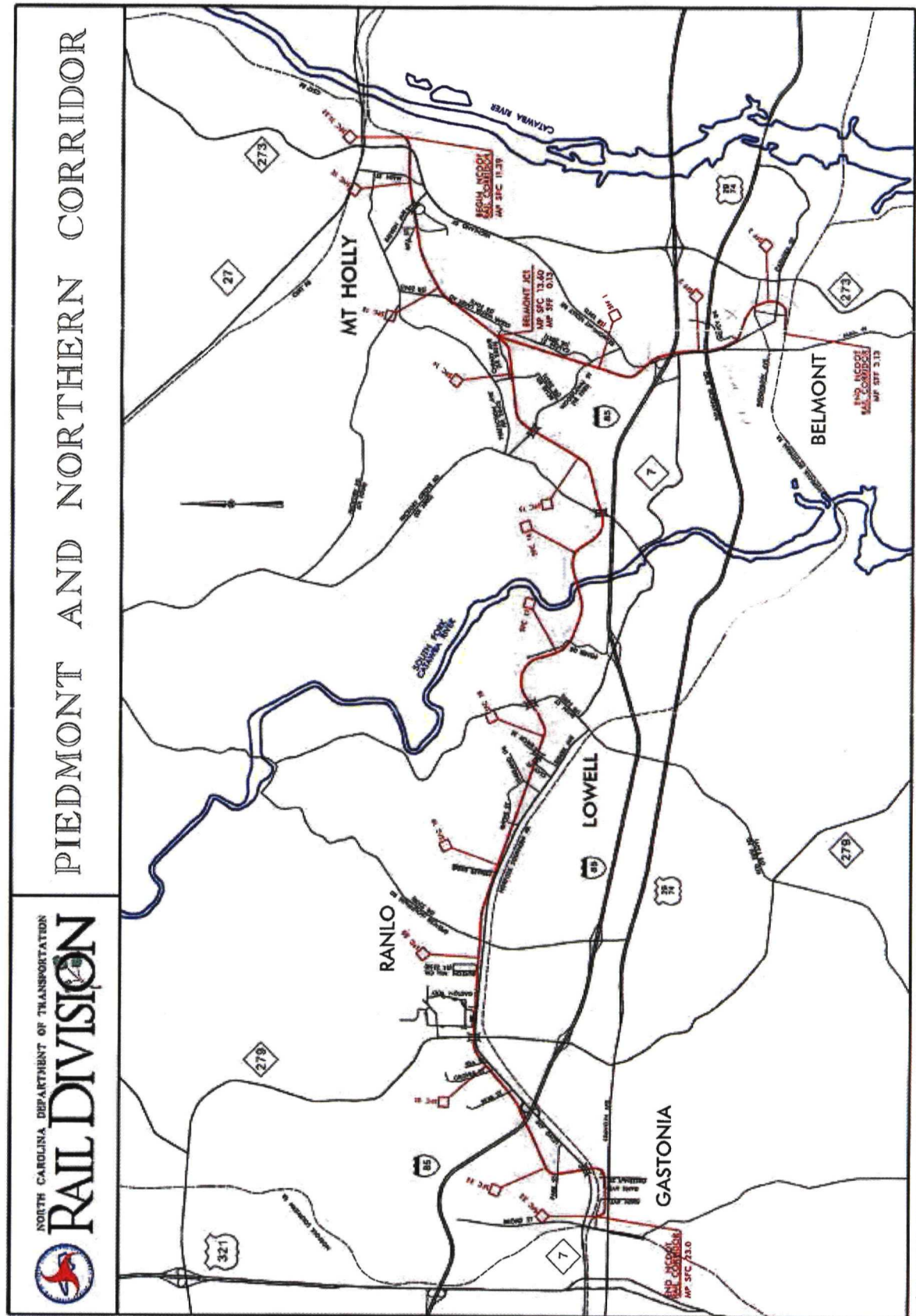
MOHAVE AIRPORT DRIVE

UNCLASIFIED RAILROAD

ROUTE 66

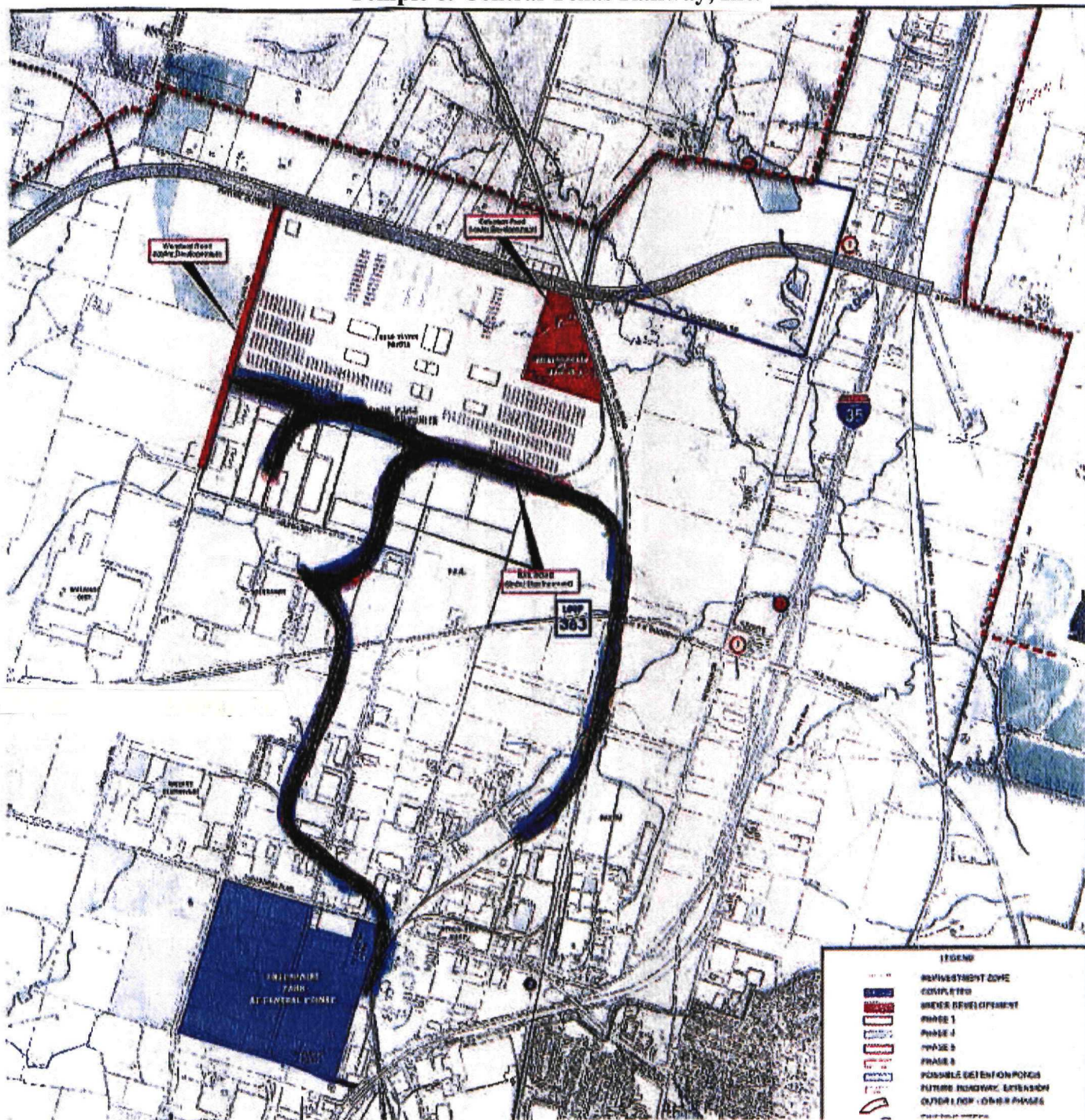






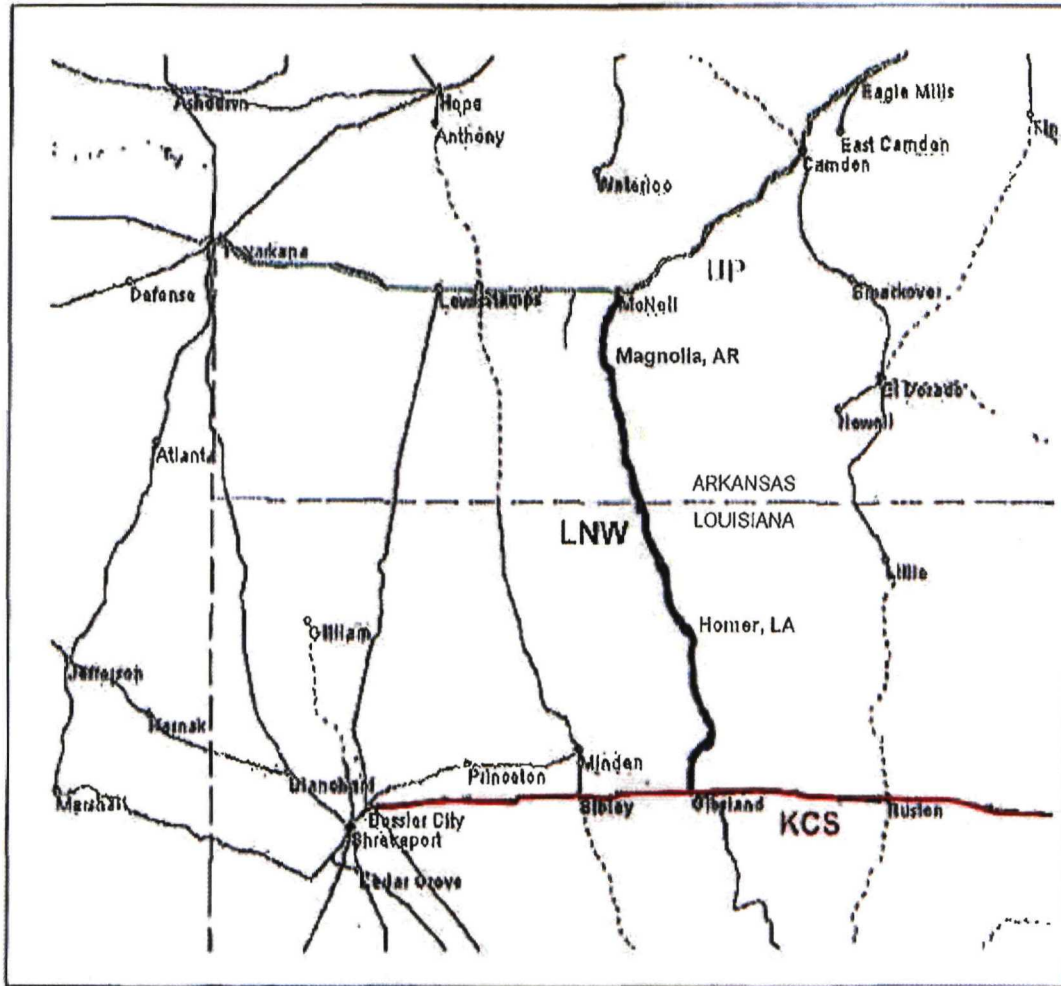


**Temple & Central Texas Railway, Inc.**



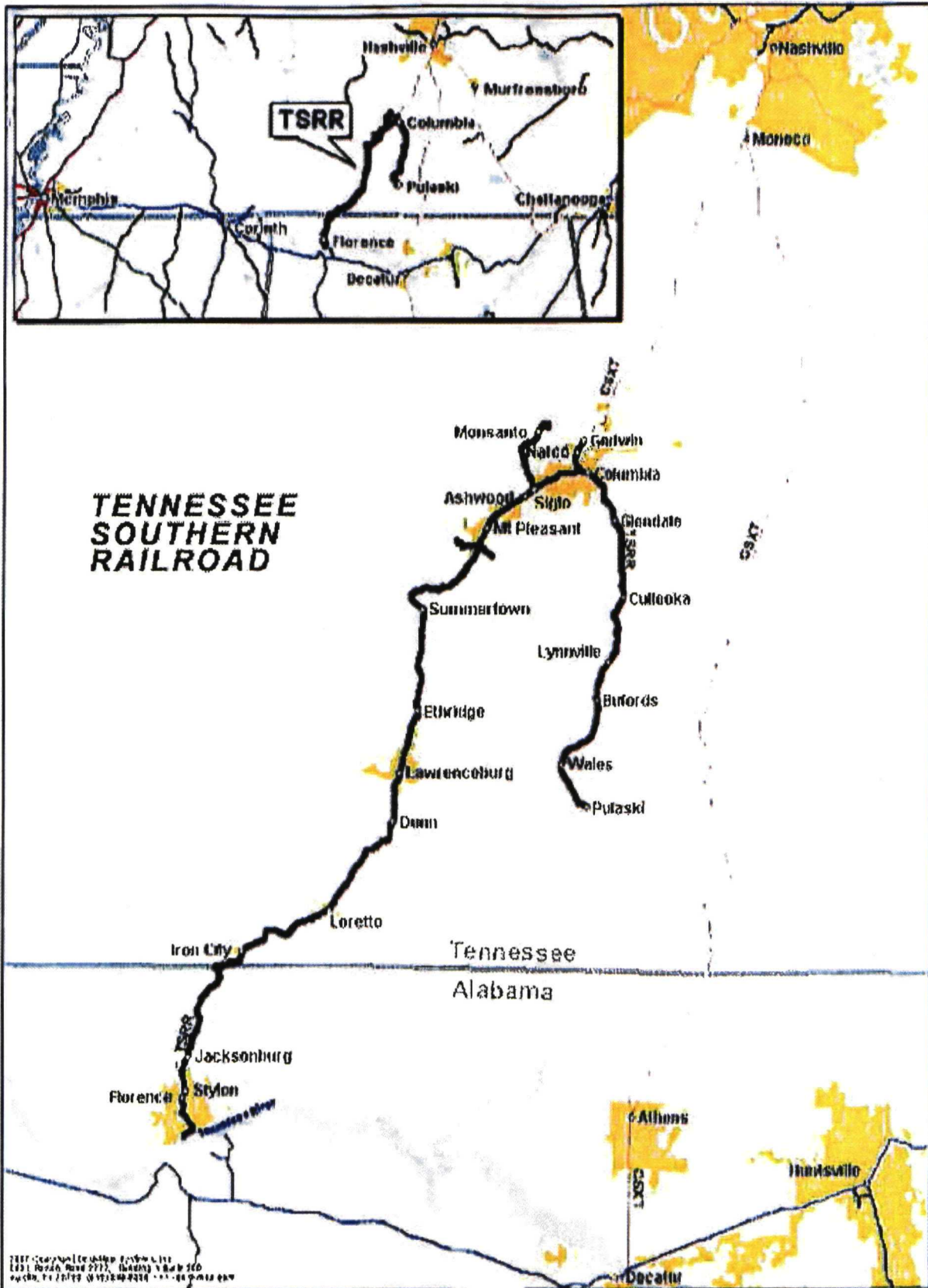


# Louisiana and North West Railroad (LNW) Map

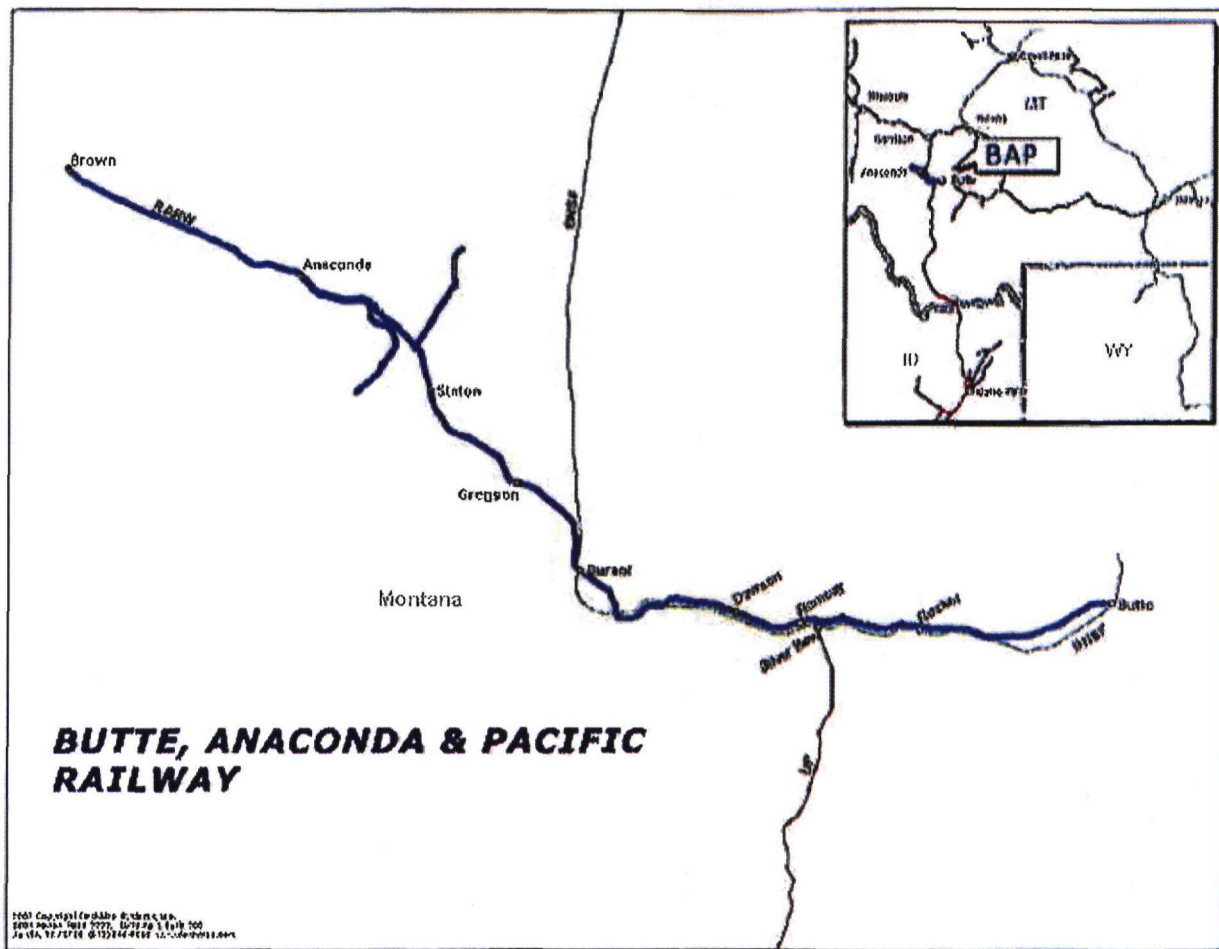


The Louisiana and North West Railroad (LNW) operates 63 miles of owned and leased rail line from Gibsland, Louisiana, to McNeil, Arkansas. The railroad leases 6.8 miles (from Magnolia to McNeil, Arkansas) from the Union Pacific Railroad (UP). LNW interchanges traffic with the UP at McNeil and with Kansas City Southern (KCS) at Gibsland, LA.

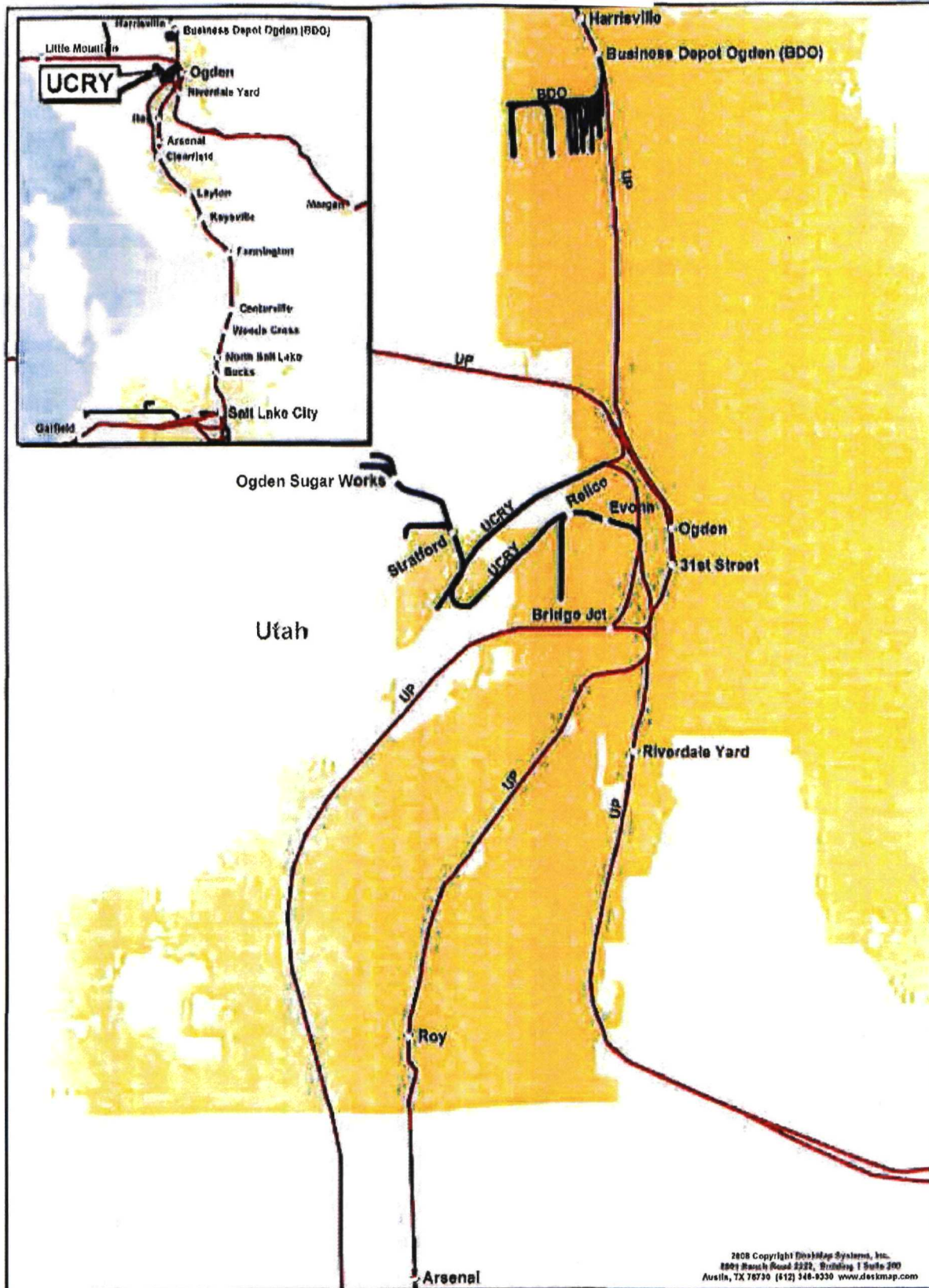




## Rarus Railway Company

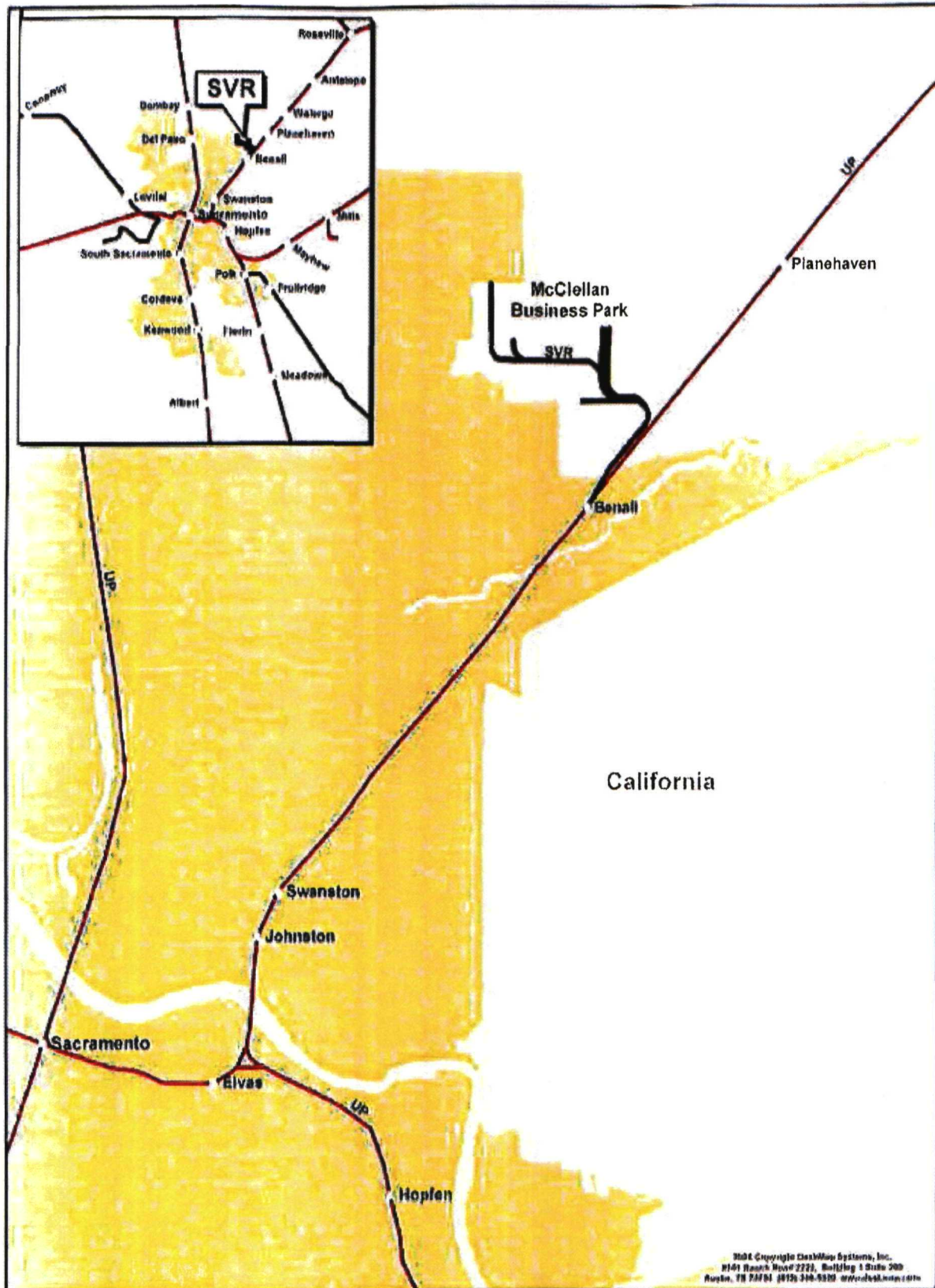


# Utah Central Railway Company



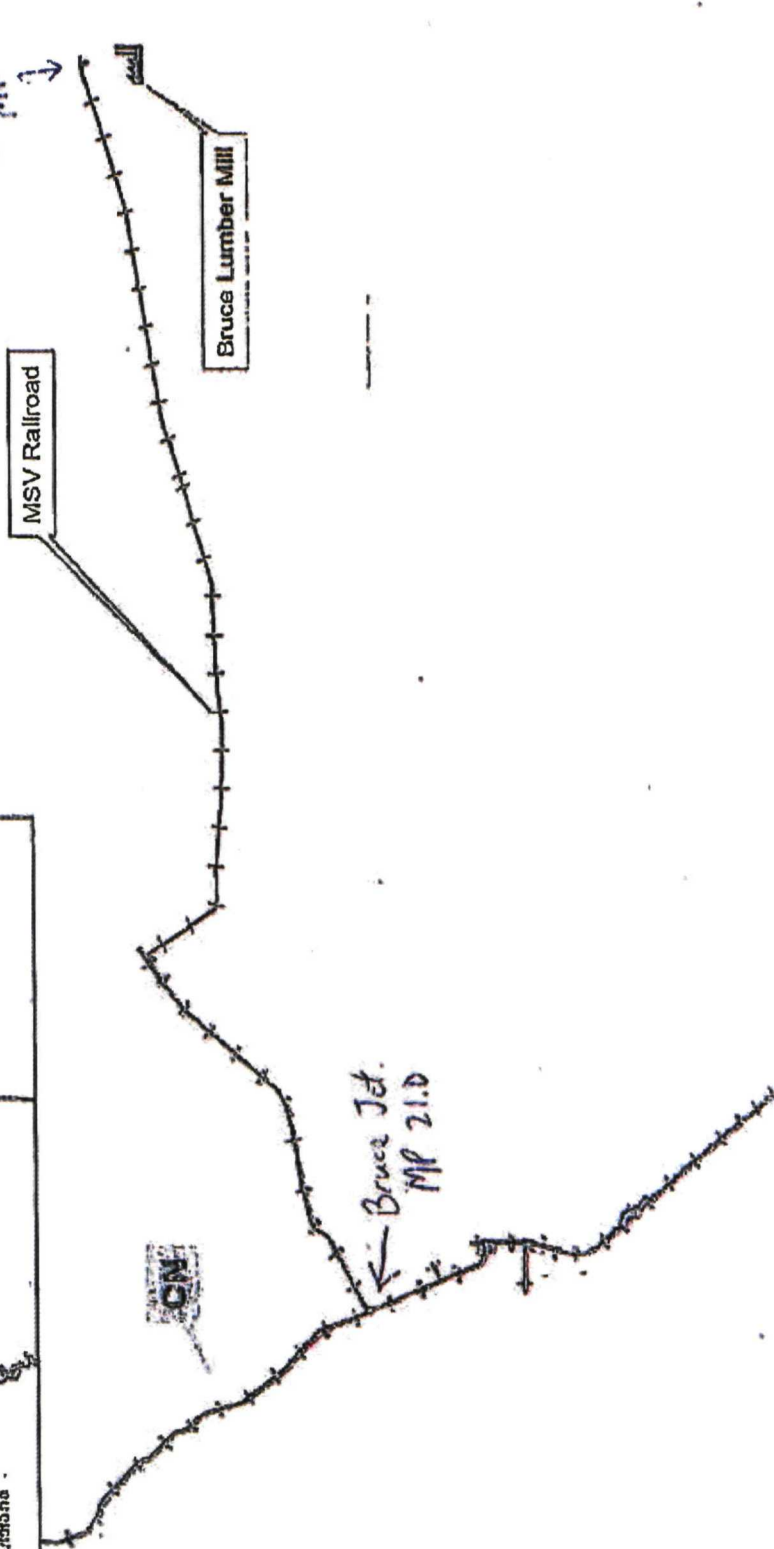
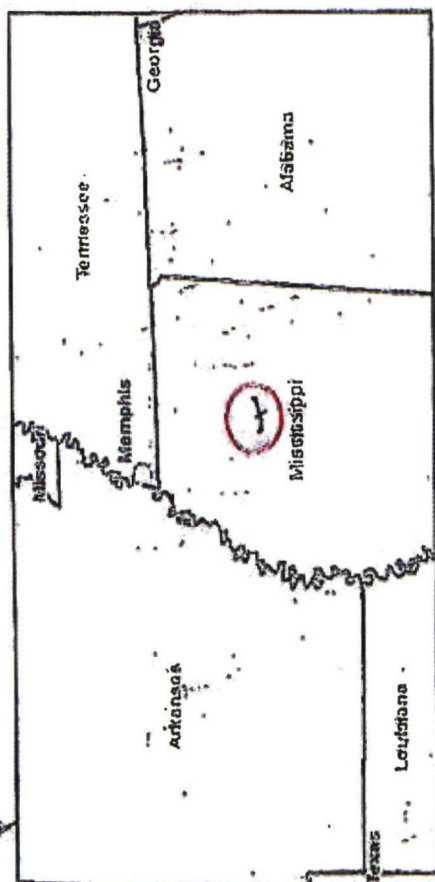


# Sacramento Valley Railroad, Inc.

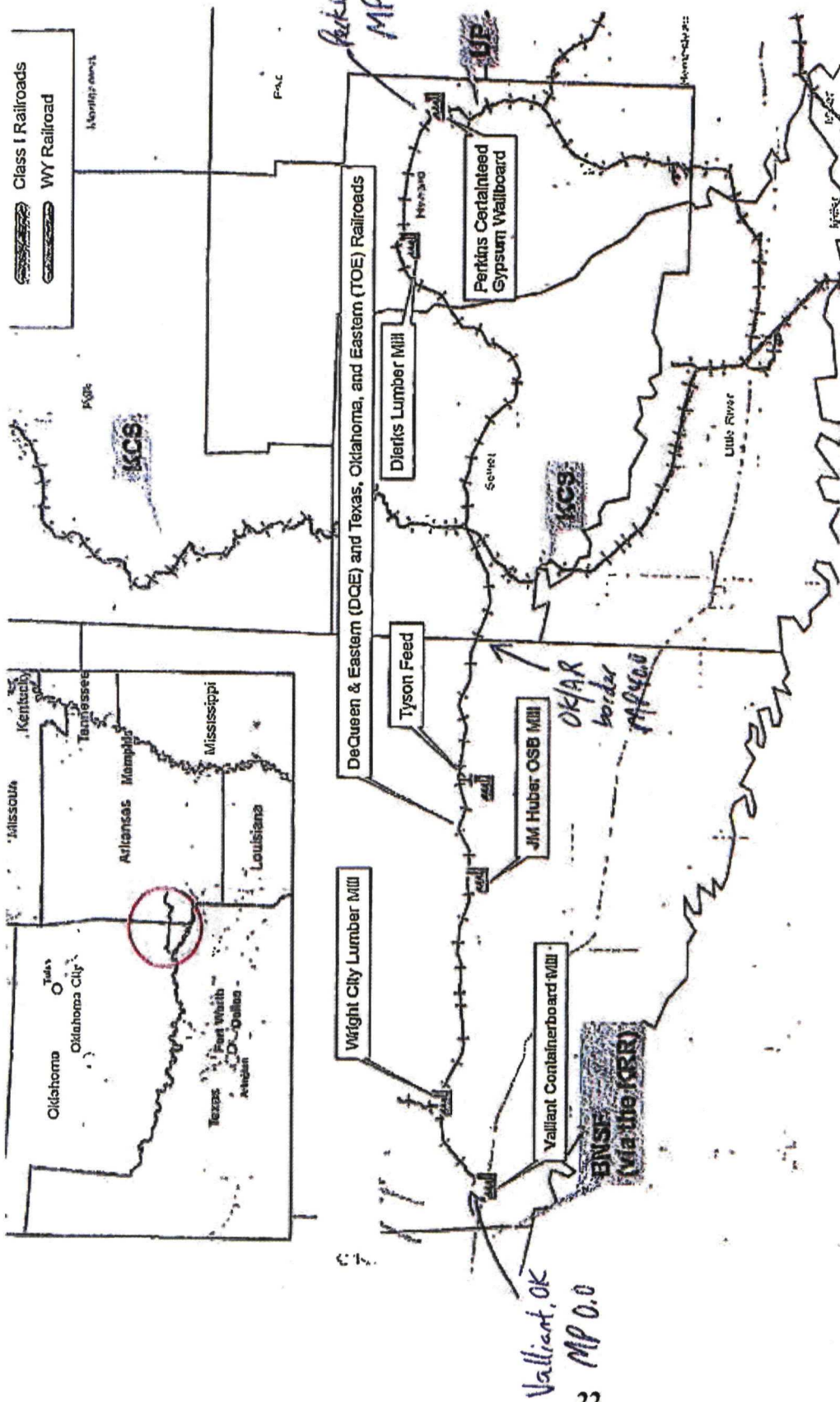


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 9141 Beach Road #2222, Building 1 Suite 200  
 Austin, TX 78704 (512) 344-5025 [www.cashmap.com](http://www.cashmap.com)

# Mississippi & Skuna Valley Railroad, LLC

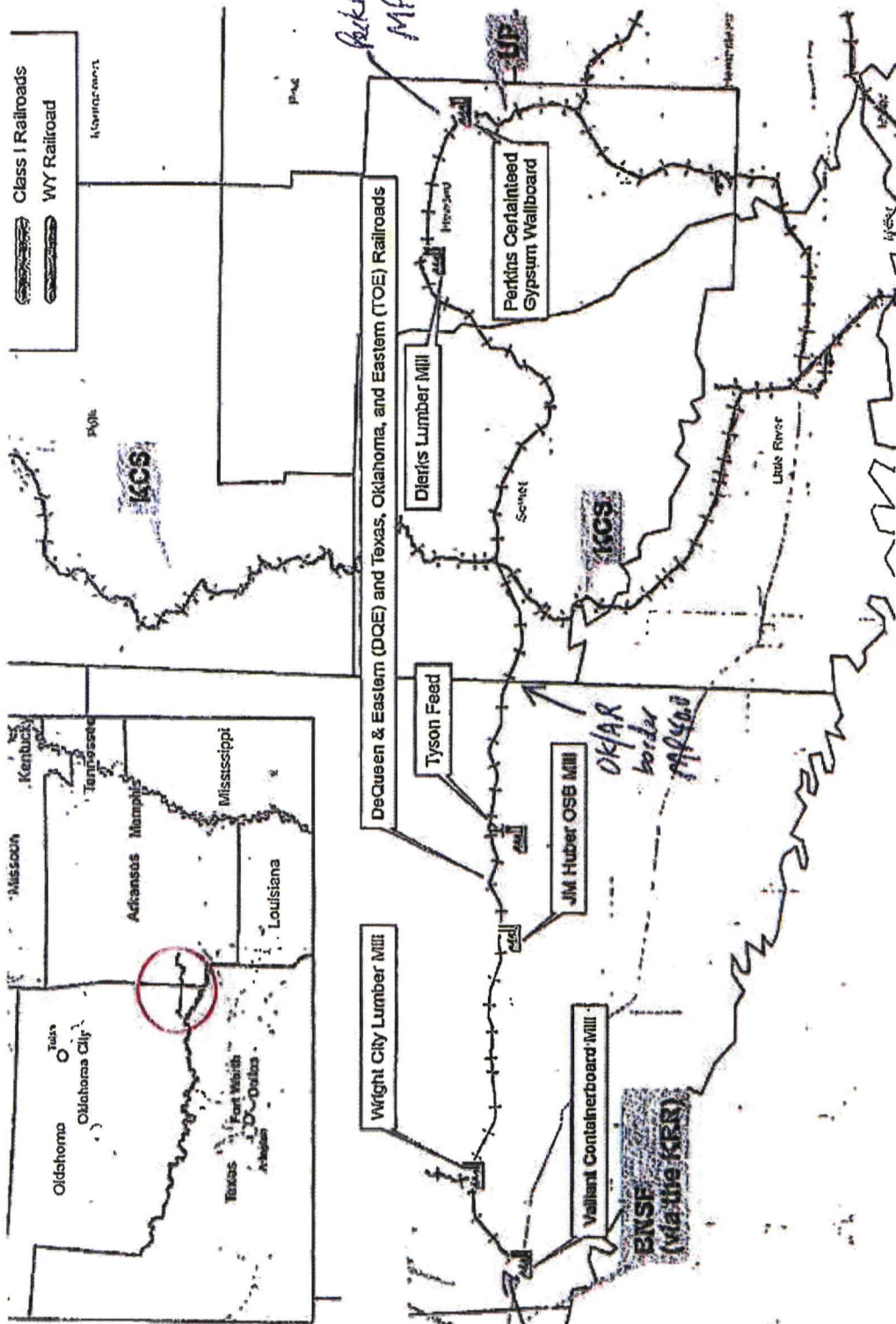


# Texas, Oklahoma & Eastern Railroad, LLC



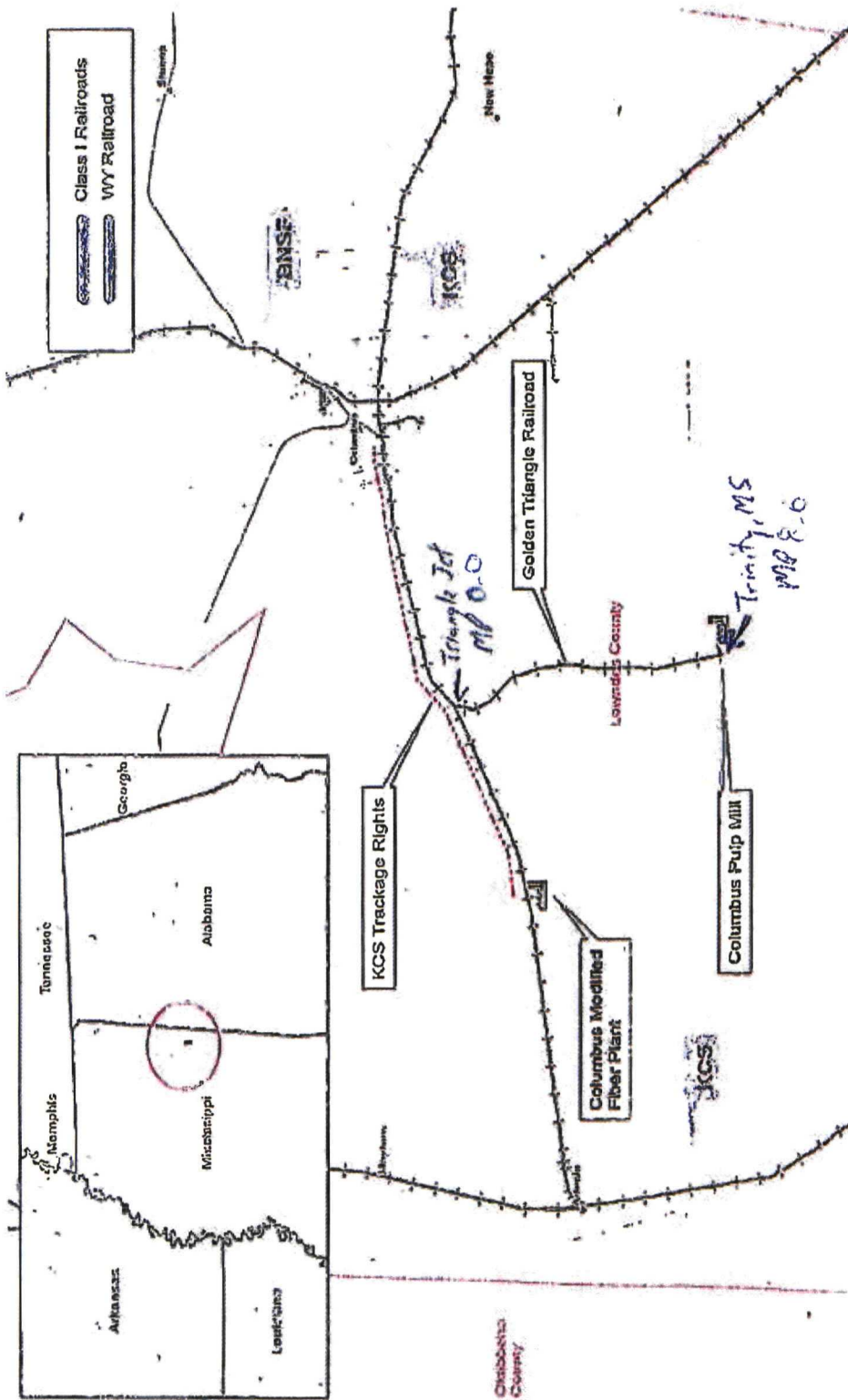


# DeQueen and Eastern Railroad, LLC



Valliant, OK  
MP 0.0

# Golden Triangle Railroad, LLC







# Columbia & Cowlitz Railway, LLC

